Supreme Court, U.S.
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No. 96-1289

IN THE
Supreme Court of the United States
OCTOBER TERM, 1996

GENENTECH, INC.,
Petitioner,

v.

THE REGENTS OF THE UNIVERSITY OF CALIFORNIA,
Respondent.

On Petition for Writ of Certiorari to the United States Court of Appeals for the Federal Circuit

BRIEF IN OPPOSITION

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QUESTION PRESENTED

1) Whether the Federal Circuit correctly decided that otherwise privileged communications between a patent applicant and attorneys employed by its exclusive optionee concerning the optioned patent applications, and any related attorney work product, are protected by the "community of interest" doctrine from being waived when they are shared with the optionee where (a) the patent owner and the optionee had an "identical legal interest" with respect to the subject patent applications, (b) the optionee controlled the prosecution of the subject patent applications, and (c) the optionee's in-house counsel functioned as attorneys for the patent applicant with respect to the prosecution of the patent applications?

LIST OF PARTIES AND RULE 29.6 STATEMENT

The parties to the proceeding in the United States Court of Appeals for the Federal Circuit were petitioner Genentech, Inc. and respondent The Regents of the University of California. For purposes of S. Ct. R. 29.6, the respondent states that it has no parent companies or nonwholly-owned subsidiaries.

TABLE OF CONTENTS

	Page
QUESTION PRESENTED	i
LIST OF PARTIES AND RULE 29.6 STATEMENT	ii
TABLE OF AUTHORITIES	iv
STATUTE INVOLVED	2
STATEMENT OF THE CASE	2
A. The Relationship Between UC And Lilly	2
B. An Overview Of The Present Litigation	3
C. The District Court's Order	6
D. The Federal Circuit's Writ Of Mandamus	7
REASONS FOR DENYING THE WRIT	8
I. THE FEDERAL CIRCUIT'S DECISION IS PLAINLY CORRECT	9
A. Genentech's Attempt To Manufacture A Conflict Between The Federal And Seventh Circuits Is Baseless	9
B. The Federal Circuit Correctly Concluded That A Patentee And Its Optionee Have An Identical Legal Interest To Obtain Strong And Enforceable Patents	11
C. Genentech Has No Basis For Its Assertion That The Federal Circuit Ignored The "In Anticipation Of Litigation" Requirement	13
II. THE FEDERAL CIRCUIT CORRECTLY GRANTED A WRIT OF MANDAMUS TO OVERTURN THE DISTRICT COURT'S ORDERING PRODUCTION OF UC'S PRIVILEGED INFORMATION	15
CONCLUSION	17

TABLE OF AUTHORITIES

Cases	Page
Allied Chem. Corp. v. Daiflon, Inc., 449 U.S. 33 (1980)	16
Baxter Travenol Laboratories, Inc. v. Abbott Labs., 1987 WL 12919 (N.D. Ill. 1987)	12-14
BV Engineering v. University of California, Los Angeles, 858 F.2d 1394 (9th Cir. 1988), *cert. denied*, 489 U.S. 1090 (1989)	4
In re Cordis Corp., 769 F.2d 733 (Fed. Cir.), *cert. denied*, 474 U.S. 851 (1985)	16
Genentech, Inc. v. Eli Lilly and Company, 998 F.2d 931 (Fed. Cir. 1993), *cert. denied*, 510 U.S. 1140 (1994)	4
Genentech, Inc. v. Regents of the Univ. of Cal., 939 F. Supp. 639 (S.D. Ind. 1996)	5
Graco Children's Products, Inc. v. Dressler, Goldsmith, Shore & Milnamow, Ltd., 1996 WL 360590 (N.D. Ill. 1995)	12
Harper & Row Publishers, Inc. v. Decker, 423 F.2d 487 (7th Cir. 1970), *aff'd per curiam*, 400 U.S. 348 (1971)	16
Hybritech, Inc. v. Abbott Labs., 849 F.2d 1446 (Fed. Cir. 1988)	15
Polymer Technologies, Inc. v. Bridwell, 103 F.3d 970 (Fed. Cir. 1996)	15
In re Recombinant DNA Technology Patent and Contract Litigation, 874 F. Supp. 904 (S.D. Ind. 1994)	5
In re the Regents of the University of California, 101 F.3d 1386 (Fed. Cir. 1996)	1
Regents of the University of California v. Doe, No. 95-1694 (U.S. Feb. 19, 1997)	4
SCM Corp. v. Xerox Corp., 70 F.R.D. 508 (D. Conn.), *appeal dism'd*, 534 F.2d 1031 (2d Cir. 1976)	14
Seminole Tribe v. Florida, 116 S. Ct. 1114 (1996)	5
Statutes and Rules	
28 U.S.C. § 1292(c)(1)	5
35 U.S.C. § 154(a)(1)	15
35 U.S.C. § 271(h)	4
35 U.S.C. § 296	4

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BRIEF IN OPPOSITION

Respondent, The Regents of the University of California ("UC"), respectfully requests that this Court deny the petition for a writ of certiorari seeking review of the Federal Circuit's decision in this case. The Federal Circuit's opinion reversing the district court's order compelling deposition testimony of three attorneys employed by UC's exclusive optionee, Eli Lilly and Company ("Lilly"), who were involved in the prosecution of UC's U.S. Patent No. 4,363,877 ("the '877 patent") is reported at *In re the Regents of the University of California*, 101 F.3d 1386 (Fed. Cir. 1996), and is found at Petitioner's Appendix ("Pet. App.") A-1 to A-12. The district court's opinion, which had granted Genentech's motion to compel such testimony and overruled UC's objections based on the community of interest doctrine, and which was reversed by the Federal Circuit's writ of mandamus at

issue, is unreported and is found at Pet. App. A-13 to A-21.

STATUTE INVOLVED

As stated at Pet. 2, there are no constitutional provisions or federal statutes implicated by the present petition, which only involves a case-specific application of the common law doctrine of attorney-client privilege.

STATEMENT OF THE CASE

As an initial matter, UC believes a clarification of the record citation format is necessary. In the underlying petition for a writ of mandamus to the Court of Appeals, UC was the petitioner and Genentech was the respondent. Because that writ was granted, the parties' roles are now reversed before this Court yet Genentech has opted to cite to its exhibits below by their original designations; thus, Genentech's exhibits are cited in the petition to this Court as "Resp. Ex." even though Genentech is now the Petitioner. *See* Pet. 3 n.1. While that choice likely stems from Genentech's incorporation of its unsuccessful briefing below into its current petition, UC feels such designations may be confusing. Therefore, UC will instead refer to its exhibits below as "UC Ex." and to Genentech's exhibits as "Genen. Ex." UC's references to the opinions attached to the petition before this Court will be to "Pet. App. A—."

A. The Relationship Between UC and Lilly

As noted, UC is the owner of the '877 patent and of other United States and foreign patents relating to recombinant DNA technology. Although Genentech relies heavily on the agreements between UC and Lilly related to that technology, Genentech merely cites to them without providing them to the Court with the petition. Nevertheless, for purposes of the present petition, it is only pertinent that Lilly obtained "the exclusive right to obtain a license" under UC's pertinent United States and foreign patents. UC Ex. 6, at ¶ 3.1; UC Ex. 7, at ¶ 3.1. As a result of giv-

ing Lilly an exclusive option to obtain such a license, UC contractually gave up its ability to enter into any other agreements with other companies granting them the right to obtain licenses.

In return for its option for an exclusive license, Lilly agreed to "underwrite the cost for the preparation, filing and prosecution, with the cooperation of Regents, by patent counsel mutually acceptable to Lilly and Regents of all foreign patent applications on behalf of Regents . . . and the cost of maintaining all resultant applications." UC Ex. 6, at ¶ 2.1; UC Ex. 7, at ¶ 2.2 (also applies to U.S. applications). In short, Lilly agreed to assist UC in obtaining patent protection in the field of the agreements. At all times, prosecution of UC's patent applications was handled by outside counsel acceptable to both Lilly and UC, and under the direction and guidance of Lilly's in-house attorneys, or by Lilly's in-house attorneys themselves.

B. An Overview Of The Present Litigation [1]

On August 6, 1990, Genentech filed a declaratory judgment action in the United States District Court for the Southern District of Indiana against UC and Lilly, seeking a declaration that the '877 patent was invalid, unenforceable, and not infringed ("the Indiana action"). The next day, UC filed a lawsuit in the United States District Court for the Northern District of California charging Genentech with infringement of the '877 patent ("the California action"). The California action was a "mirror image" of the Indiana action, which Genentech had amended to include various antitrust and pendent state law claims.

On February 4, 1991, the Indiana court dismissed Genentech's declaratory judgment action, holding, *inter alia*,

[1] Much of the history in this section is not needed to resolve the issues raised by the petition, but is provided by UC as background for the Court and to provide context within the litigation for the issues that are raised.

that Congress had not abrogated UC's Eleventh Amendment immunity when enacting the patent laws, and that UC had not abrogated its immunity by owning a patent.[2] During Genentech's appeal of that dismissal, Congress added 35 U.S.C. § 271(h) and 35 U.S.C § 296 to the patent laws. As a result, Genentech's declaratory judgment action was held to fall within the statutory abrogation of Eleventh Amendment immunity and was thus the Indiana action was reinstated. *Genentech, Inc. v. Eli Lilly and Company*, 998 F.2d 931 (Fed. Cir. 1993), *cert. denied*, 510 U.S. 1140 (1994). After dismissing one of Genentech's antitrust claims, the Federal Circuit instructed the district court on remand to determine which of Genentech's other claims met the criteria of being defenses and compulsory counterclaims to the charge of patent infringement. *Id.* at 948-49.

On February 19, 1992, the Indiana action, the California action, and several other lawsuits in California and Indiana involving UC, Genentech, and Lilly had been consolidated in the Southern District of Indiana for pretrial proceedings by the multidistrict panel. Following the remand of the declaratory judgment action from the Federal Circuit, the Indiana court stayed the California action in favor of the "mirror-image" Indiana action. On December 22, 1994, Lilly and Genentech entered into a Settlement Agreement which resolved all claims between those two parties, so that Lilly is no longer a party to any of the underlying actions.

On November 18, 1994, the Indiana court denied Genentech's motion to amend its complaint and granted UC's

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[2] UC is an instrumentality of the State of California for Eleventh Amendment purposes, and actions by UC are entitled to the protection of the Eleventh Amendment. *See, e.g., Regents of the University of California v. Doe*, No. 95-1694 (U.S. Feb. 19, 1997); *BV Engineering v. University of California, Los Angeles*, 858 F.2d 1394, 1395 (9th Cir. 1988), *cert. denied*, 489 U.S. 1090 (1989).

motion to dismiss all of the non-patent counts of Genentech's complaint with the exception of one aspect of Count V related to Genentech's third-party beneficiary claims. *In re Recombinant DNA Technology Patent and Contract Litigation,* 874 F. Supp. 904 (S.D. Ind. 1994). During the same period of time, UC moved for relief from the protective order in the case in order to be able to rely on certain materials obtained during discovery to file additional federal antitrust and state law claims against Genentech in California. Over two years later, the district court held in April 1996 that UC's new proposed claims were compulsory counterclaims to the present litigation on grounds that UC's proposed claims were logically related to one of UC's defenses to Genentech's third-party beneficiary claim. As a result, the district court enjoined UC from filing its proposed claims in other courts.

UC filed an interlocutory appeal from that injunction to the Federal Circuit pursuant to 28 U.S.C. § 1292(c)(1). During the pendency of that appeal, the distinct court granted UC's renewed motion to dismiss Genentech's declaratory judgment action on Eleventh Amendment grounds in light of this Court's intervening decision in *Seminole Tribe v. Florida,* 116 S. Ct. 1114 (1996). That motion was granted on grounds that the district court lacked jurisdiction over a patent declaratory judgment action brought against a State's patent. *See Genentech, Inc. v. Regents of the Univ. of Cal.,* 939 F. Supp. 639 (S.D. Ind. 1996). In addition, the Indiana court granted UC's motion for summary judgment on the sole remaining aspect of Genentech's third-party beneficiary claims, ruling that Genentech had not relied on its alleged third party rights before they were validly rescinded by UC and Lilly.[3]

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[3] In light of the intervening rulings by the Indiana court, the Federal Circuit decided to stay UC's pending appeal of the district court's injunction and to consolidate that appeal with Genentech's later-filed appeal from the subsequent dismissal of its declaratory judgment action. As of the filing of this opposition,

On the same day that the Indiana court dismissed Genentech's declaratory judgment action, that court also lifted the stay of the California action and informed the multidistrict panel that "[i]nasmuch as [the California action] must be tried in California, and the discovery is essentially complete, I request that it be remanded to the Northern District of California." After Genentech's objections were overruled, the California action was remanded on January 30, 1997, to the Northern District of California. Hence, the California action—UC's infringement suit against Genentech—is the only pending case between the parties. Needless to say, it has not yet been tried.

C. The District Court's Order

As noted, discovery in the several separate litigations between UC, Lilly, and Genentech was consolidated pursuant to an order of the judicial panel on multidistrict litigation. In September 1994, pursuant to a request from UC, the district court temporarily excluded Genentech from portions of certain depositions of Lilly attorneys as to which UC claimed a community of interest privilege with Lilly, and directed that Genentech would receive redacted versions of the transcripts. UC Ex. 8, at 9 n.4. For the portions of the depositions at which Genentech was present, UC also objected to testimony, based on the attorney-client privilege and the community of interest doctrine. UC Ex. 2.

In March 1996, Genentech filed a motion to overrule UC's objection to discovery based on the community of interest doctrine, to continue the depositions of the Lilly attorneys, to obtain unredacted transcripts, and to instruct UC that attorney work product relating to the prosecution of UC patent applications, which was the subject of the depositions, is not immune from discovery. On July 2,

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the briefing in the latter appeal is still ongoing before the Federal Circuit.

1996, the district court granted Genentech's motion. Pet. App. A-13 to A-19.

In its order, the district court held that "the UC-Lilly relationship arising from the option agreement created no need for a common defense" because "[t]he entities were prosecuting patents, and at that point, apparently were bound only by the prospect of financial gain and heightened reputation." Pet. App. A-18. Thus the district court held: "UC may not invoke the community of interest doctrine to protect communications between it and Lilly between 1978 and 1989." Pet. App. A-19. Faced with the impending disclosure of its privileged information, UC sought a writ of mandamus from the Federal Circuit.

D. The Federal Circuit's Writ Of Mandamus

The Federal Circuit's opinion granting UC's writ of mandamus is found at Pet. App. A-1 to A-12. However, the substance of the Federal Circuit's opinion granting UC's request for a writ of mandamus receives scant substantive discussion in Genentech's petition. Nevertheless, even a basic reading of that decision reveals that the Federal Circuit correctly held that the "community of interest" doctrine applied to the privileged communications shared between UC (as the owner of the rights in the inventions) and Lilly (as the holder of the exclusive option to obtain a license under the inventions) with respect to the prosecution of UC's patents that were to be licensed to Lilly. As discussed further in the argument section below, there is no reason for this Court to grant a petition for writ of certiorari to review that decision.

Simply put, the Federal Circuit's analysis does not contain any of the legal errors attributed to it by Genentech, nor does that court's opinion or result reflect a departure from established law in any regard. Indeed, the most direct rebuttal to Genentech's petition to this Court is provided by the Federal Circuit's opinion itself. That is

not surprising because Genentech's petition merely recycles the same arguments that were considered and rejected by the Federal Circuit. More importantly, as an application of the existing law to the specific fact pattern of a joint effort to procure patent protection undertaken by a licensor-inventor and its exclusive optionee—a matter implicating substantive patent law falling within the Federal Circuit's particular expertise—that court's opinion is insightful, instructive, and correct.

REASONS FOR DENYING THE WRIT

On its face, Genentech's petition merely complains of an interlocutory legal determination reached by the Federal Circuit, a result which is virtually compelled by a proper application of long-established attorney-client privilege law and the community of interest doctrine. There is nothing remarkable about the Federal Circuit's conclusion that the "community of interest" rule protects privileged communications shared between a patent applicant and a company having an exclusive option to obtain a license under the resulting patents. Thus, there is no reason for this Court to grant certiorari to review the propriety of that decision, which is plainly correct and which only affects the parties to this litigation.

The Federal Circuit properly utilized the remedy of mandamus to prevent the improper disclosure of UC's privileged information to Genentech. In any event, even if the Federal Circuit's action in protecting UC's privileged information were somehow erroneous (which it is not) and even if that nondisclosure later has a substantive effect on the outcome of the trial (which is wholly speculative), Genentech could still attempt to bring that issue to this Court following final judgment. For each of these reasons, Genentech's present petition should be denied.

I. THE FEDERAL CIRCUIT'S DECISION IS PLAINLY CORRECT

By its own admission at Pet. 11 & 12, the basis for Genentech's current petition reduces to a two-pronged premise: (1) that the Federal Circuit allegedly modified the Seventh Circuit's "identical legal interest" doctrine to create a more flexibile and impermissible "substantially identical legal interest doctrine," and (2) that the Federal Circuit allegedly ignored the traditional "in anticipation of litigation" condition that is required for a valid community of interest exception to a waiver of an attorney-client communication. However, Genentech's attempt to manufacture a conflict among the circuits is illusory. Moreover, its assertions of error have no basis in the record, in the Court of Appeals' opinion, or in the law.

A. Genentech's Attempt To Manufacture A Conflict Between The Federal And Seventh Circuits Is Baseless

Genentech attempts to justify a writ of certiorari as warranted by fabricating a "circuit conflict" that does not exist, and by asserting that the Federal Circuit somehow violated Seventh Circuit law in reaching its decision. Of course, even if the Federal Circuit had actually misapplied or misunderstood Seventh Circuit law, that would not create a situation that warrants review by this Court. To the extent that the Federal Circuit's decision did implicate Seventh Circuit law, any pronouncements by the Federal Circuit could not change the Seventh Circuit's law so that any conflict or error would be limited to this case. On the other hand, to the extent that the Federal Circuit's decision implicates substantive patent law issues within its exclusive jurisdiction, the Federal Circuit was not bound by any prior or contrary Seventh Circuit law. In any event, the Federal Circuit's announcement and application of the law was entirely proper.

The Federal Circuit stated that it was following Seventh Circuit law with respect to the issue of the scope of the

attorney-client privilege. Pet. App. A-10 & n.2. However, whether patent prosecution is appropriate for the attorney-client privilege to attach or whether the prosecution process creates a need for a common defense privilege between a patent owner and an exclusive optionee are more properly viewed as being matters to be decided under Federal Circuit law.

> Consultation with counsel during patent prosecution meets the criteria of compliance with the law and meeting legal requirements, thereby reducing or avoiding litigation, and is within the scope of the subject matter that is subject to the attorney-client privilege.
>
> We conclude that the joint client doctrine and the community of interest doctrine apply to and protect legal advice and communications between the patent applicant or patentee and attorneys of its optionee/licensee.

Pet. App. A-11-12. However, even to the extent that the Federal Circuit followed or considered Seventh Circuit law in reaching its conclusions, the Federal Circuit did not deviate from or conflict with existing Seventh Circuit law.

At Pet. 11, Genentech provides a string of citations to Seventh Circuit district court decisions, but fails to explain what rule of law set forth by those cases is supposed to be in conflict with the Federal Circuit's decision. As characterized by Genentech, those cases require that the underlying communications themselves be privileged, that the parties have an identical legal interest with respect to the subject of the communications, and that such interest arise out of impending or anticipated litigation or a joint effort to avoid litigation. *Id.* However, contrary to Genentech's allegations, the Federal Circuit's decision is fully consistent with the community of interest doctrine applied by the district courts in the Seventh Circuit.

B. The Federal Circuit Correctly Concluded That A Patentee And Its Optionee Have An Identical Legal Interest To Obtain Strong And Enforceable Patents

As to Genentech's premise that the Federal Circuit restated and misapplied the governing "identical legal interest" test, even a brief reading of the Federal Circuit's opinion exposes the lack of merit to Genentech's claim. It is readily apparent that Genentech is attempting to transform a single inclusion of the word "substantially" in the Federal Circuit's opinion into a legal error of sufficient proportion to justify a writ of certiorari to review an interlocutory order that may affect only this case at some point in the future. Not only does Genentech emphasize that single word out of context, but its entire argument to the contrary is nothing more than baseless semantics.

Although Genentech seizes upon the one occasion when the Federal Circuit described the legal interests of UC and Lilly as being "substantially identical," Pet. App. A-10, the court was not creating a new and more relaxed standard for applying the "community of interest" test. In the next sentence of its opinion, the Federal Circuit stated that "[b]oth parties had the *same interest* in obtaining strong and enforceable patents." *Id.* (emphasis added). In the sentence following immediately after that one, the Court of Appeals expressly stated that the district court had "erred in concluding that Lilly and UC did not have an identical legal interest in the '877 patent." *Id.* Viewed in the context of the Federal Circuit's full opinion, the entire premise of Genentech's petition that is based on the single use of the term "substantially" simply evaporates.

Furthermore, the Federal Circuit's holding that an "identical legal interest" sufficient to preserve confidentiality of attorney-client communications arises between parties like UC and Lilly involved in joint efforts to prosecute patents is fully consistent with other cases—even in the Seventh Circuit.

> A community of interest may arise between parties jointly developing patents because they have a com-

> mon interest in developing the patents to (1) obtain the greatest protection of the patents, and (2) in exploiting the patents.

Graco Children's Products, Inc. v. Dressler, Goldsmith, Shore & Milnamow, Ltd., 1996 WL 360590 at *5 (N.D. Ill. 1995). Moreover, another Seventh Circuit district court had previously reached the same conclusion as the Federal Circuit, holding that the community of interest rule protects communications shared between the patent applicant and a company having an option to obtain an exclusive license under the patent. *See Baxter Travenol Laboratories, Inc. v. Abbott Labs.*, 1987 WL 12919 at *2 (N.D. Ill. 1987) (determining that an identical legal interest existed even where "Baxter had the option to acquire an exclusive world-wide license on any inventions, improvements, ideas, developments, patent applications, and patents").

Genentech condemns the Federal Circuit for an alleged "monumental factual blunder" for holding that "Lilly was more than a non-exclusive licensee." Pet. 13. However, the record demonstrates that conclusion is entirely correct. Through its agreements with UC, Lilly obtained "the exclusive right to acquire a license." UC Ex. 6, at ¶ 3.1; UC Ex. 7, at ¶ 3.1. Under those provisions, Lilly was the exclusive optionee—UC gave up the ability to enter into any other agreements with other companies granting them the right to obtain licenses. In fact, Lilly later exercised its option and became the exclusive licensee under the UC patents. Pet. App. A-10. Because Lilly was UC's exclusive optionee, the Federal Circuit correctly concluded that "Lilly was more than a non-exclusive licensee." *Id.*

Without doubt, UC and Lilly had an identical legal interest with respect to the subject patent applications at issue. That is all that matters. That there may not have been complete identity between UC's and Lilly's legal interests with respect to other technology, other agreements, other parties, or even Genentech has no bearing

on the proper legal inquiry. Hence, Genentech's lengthy dissertation regarding allegedly overlapping interests shared by Lilly and Genentech has no bearing on whether UC and Lilly shared identical interests with respect to UC's subject patents. Thus, the Federal Circuit correctly rejected the district court's view that UC's and Lilly's shared interests were only proprietary rather than legal. Pet. App. A-10-11.

The Federal Circuit thus also correctly determined that the District Court erred as a matter of law in determining that the option agreement did not create an "identical legal interest" between UC and Lilly with respect to the prosecution of the patent applications. *Id.* at A-10. The District Court's contrary decision conflicted with the other Seventh Circuit district court cases that agreed that joint prosecution results in the parties having an identical legal interest with respect to the subject patents. Moreover, the District Court's decision squarely conflicted with the *Baxter Travenol* decision, which held that an identical legal inteerst could arise between the patent owner and the optionee of an exclusive license. Not only was there no conflict created by the Federal Circuit's decision in this case, but no other legal conclusion was proper.

C. Genentech Has No Basis For Its Assertion That The Federal Circuit Ignored The "In Anticipation Of Litigation" Requirement

Genentech's asserted "circuit conflict" as to the "anticipation of litigation" element is likewise illusory. The Federal Circuit's decision does not do away with a requirement that the identical legal interest arise out of impending or anticipated litigation or a joint effort to avoid litigation. The Federal Circuit simply affirmed the rule, accepted even in other Seventh Circuit cases, that the communications in question need not take place when litigation is immediately imminent—*i.e.*, "in the shadow of litigation" as the Federal Circuit stated. Pet. App. A-11.

That holding is consistent with the applicable case law, including those of other district courts from the Seventh Circuit, holding that joint efforts in prosecuting patents create identical legal interests in anticipation of litigation or in avoiding litigation. As one district court stated:

> Although a community of legal interests usually arises between parties engaged in or anticipating imminent litigation, litigation or impending litigation is not a prerequisite for the existence of a community of legal interests; corporations seek legal advice in order to plan their conduct and avoid litigation as well as to deal with present or impending litigation, and a community of legal interest may arise in the former situation as well as the latter.

Baxter Travenol, 1987 WL 12919 at *1 (citing *SCM Corp. v. Xerox Corp.*, 70 F.R.D. 508, 513 (D. Conn.), *appeal dism'd*, 534 F.2d 1031 (2d Cir. 1976). The *Baxter Travenol* court further determined, consistent with the Federal Circuit's decision in this case, that patent prosecution efforts result in identical legal interests as to impending litigation:

> A community of legal interest may arise between parties jointly developing patents; they have a common legal interest in developing patents to obtain greatest protection and in exploiting the patents.

Baxter Travenol, 1987 WL 12919 at *1; *see* Pet. App. A-11 (also citing *SCM Corp.* and *Baxter Travenol* cases).

Genentech's argument ignores that the community of interest doctrine applies not only to communications made in anticipation of litigation, but also to joint efforts to avoid litigation. *See, e.g.*, Pet. 11. Contrary to Genentech's assertions, joint efforts designed to obtain valid patent protection qualify on both prongs because the primary value of a patent stems from the enforcement or marketing of the statutory right to exclude others from

practicing the claimed invention.[4] A patent can be used offensively to exclude others, which necessarily must occur through litigation, *i.e.*, by filing and pursuing an infringement suit. *See* 35 U.S.C. § 154(a)(1). Alternatively, a patent can be used defensively by being licensed or cross-licensed to others so as to enable the owner to avoid litigation. Thus, any joint effort designed to obtain valid patent protection necessarily is undertaken either in anticipation of potential litigation or to create the means by which to avoid such litigation.

II. THE FEDERAL CIRCUIT CORRECTLY GRANTED A WRIT OF MANDAMUS TO OVERTURN THE DISTRICT COURT'S ORDERING PRODUCTION OF UC'S PRIVILEGED INFORMATION

From the outset of its opinion, the Federal Circuit acknowledged that a writ of mandamus is an extraordinary remedy to be exercised only where the right to the desired relief is clear and where there is no other adequate means by which to obtain such relief. Pet. App. A-4. However, the court also appreciated that a writ is an appropriate mechanism by which to prevent the wrongful exposure of privileged communications because an appeal after the disclosure of the communications is an inadequate remedy. *Id.* (and cases cited).

As the court of appeals responsible for administering the patent laws, the Federal Circuit realized that an immediate review of the district court's ruling that the attorney-client privilege did not apply when Lilly attorneys provided legal advice and services to UC about obtaining valid patent protection for UC's inventions "would avoid the development of doctrine that would undermine the privilege" in that particular area of substantive law. Pet.

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[4] *See, e.g., Polymer Technologies, Inc. v. Bridwell*, 103 F.3d 970, 975 (Fed. Cir. 1996); *Hybritech, Inc. v. Abbott Labs.*, 849 F.2d 1446, 1456 (Fed. Cir. 1988) (stating that "the principal value of a patent is its statutory right to exclude").

App. A-5 (citation omitted). As that is a proper exercise of mandamus power, Genentech has no grounds to support its assertion that the decision in this case will cause an increase in the number or decrease in the merit of future mandamus petitions in the appellate courts.

Although Genentech still suggests that the Federal Circuit erred in granting the extraordinary remedy of writ of mandamus, the cases cited by Genentech are inapposite. In *Allied Chem. Corp. v. Daiflon, Inc.*, 449 U.S. 33 (1980), this Court reversed a writ of mandamus directing the district court to vacate an order for a new trial. As the Court observed, any error committed by the district court in granting a motion for new trial is freely reviewable on appeal after the new trial. *Id.* at 36. In *In re Cordis Corp.*, 769 F.2d 733 (Fed. Cir.), *cert. denied*, 474 U.S. 851 (1985), the Federal Circuit declined to issue a writ of mandamus ordering a district court to dismiss a case for improper venue. Like an order for a new trial, a decision not to dismiss for improper venue would be freely reviewable from a final judgment.

In contrast, the Federal Circuit in this case correctly recognized that the district court's order for UC to produce its privileged information does not represent either a routine discovery dispute nor one that should be allowed to await final judgment. Pet. App. A-4.

> [B]ecause maintenance of the attorney-client privilege up to its proper limits has substantial importance to the administration of justice, and because an appeal after disclosure of the privileged communication is an inadequate remedy, the extraordinary remedy of mandamus is appropriate.

Id. (quoting *Harper & Row Publishers, Inc. v. Decker*, 423 F.2d 487, 492 (7th Cir. 1970), *aff'd per curiam*, 400 U.S. 348 (1971)). Thus, the Federal Circuit properly considered and granted a writ of mandamus in order to correct the clear legal error committed by the District

Court in ordering UC to produce its privileged documents to Genentech.

Having done so, however, the corresponding need for interlocutory review of the Federal Circuit's decision by this Court is far less compelling. Unlike an order requiring production of privileged material, an order denying production of such material can be reviewed following final judgment. To the extent that Genentech might find itself in a position to need review from this Court following any appeals from any final judgment entered in the California action, Genentech will be able to include this issue in a petition at that time. Despite this litigation having been pending for nearly six years already, there has not even been a trial. At this point, whether the absence of the requested discovery from three Lilly attorneys will have a bearing on the outcome of that trial and any subsequent appeals is entirely speculative. Thus, there is no reason for this Court to waste its limited resources deciding an interlocutory issue that might not even be pursued by Genentech in the future.

CONCLUSION

For the reasons set forth above, the petition for writ of certiorari should be denied.

Respectfully submitted,

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